

OFFICE OF MANAGEMENT AND BUDGET

North American Industry Classification System B Revision for 2002

AGENCY: Office of Management and Budget, Executive Office of the President.

ACTION: Notice of final decision.

SUMMARY: Under Title 44 U.S.C. 3504(e), the Office of Management and Budget (OMB) is announcing its final decision to adopt the North American Industry Classification System (NAICS) revisions for 2002 as recommended by the Economic Classification Policy Committee in OMB's notice for solicitation of comments in Part II of the April 20, 2000, **Federal Register** (65 FR 21241). In addition, OMB is adopting one change not included in the April 20, 2000, notice -- the move of Map and Atlas Publishing from Industry 511199, All Other Publishing, to Industry 511130, Book Publishing.

In the April 20, 2000, notice, OMB's Economic Classification Policy Committee (ECPC) recommended a revision of the industry classification system to extend the three-country agreement level for the Construction sector and to recognize important changes in the Information sector. In addition, as an interim measure in the United States, the ECPC recommended restructuring the Wholesale Trade sector to reflect differences in production functions and to capture more accurately the rapidly-growing business-to-business electronic markets developing in the United States. For the Retail Trade sector, the United States is creating additional national level detail for department stores and nonstore retailers to create more meaningful, homogeneous industries for the United States. More details of this decision are presented in the **SUPPLEMENTARY INFORMATION** section below.

EFFECTIVE DATE: Federal statistical data published for reference years beginning on or after January 1, 2002, should be published using the 2002 NAICS United States codes. Agencies may adopt the 2002 NAICS earlier at their discretion. Publication of a *2002 NAICS United States Manual* is planned for January 2002.

ADDRESSES: You should send correspondence about the adoption and implementation of 2002 NAICS as shown in the April 20, 2000, **Federal Register** notice, and modified by Attachments 1, 2, and 3 of this notice, to: Katherine K. Wallman, Chief Statistician, Office of Management and Budget, 10201 New Executive Office Building, Washington, DC 20503, telephone number: (202) 395-3093, FAX number: (202) 395-7245.

You should address inquiries about the content of industries or requests for electronic copies of the 2002 NAICS tables to: John Murphy, Assistant Division Chief for Classification Activities, Service Sector Statistics Division, Bureau of the Census, Room 2641-3, Washington, DC 20233, telephone number: (301) 457-2672, FAX number: (301) 457-1343.

Electronic Availability and Comments: This document and the April 20, 2000, **Federal Register** are available on the Internet from the Census Bureau via WWW browser and E-mail. To obtain this document via WWW browser, connect to <http://www.census.gov/naics>. This WWW page also contains previous NAICS **Federal Register** notices and related documents.

FOR FURTHER INFORMATION CONTACT: Paul Bugg, 10201 New Executive Office Building, Washington, DC 20503, E-mail address: pbugg@omb.eop.gov, telephone number: (202) 395-3095, FAX number: (202) 395-7245.

SUPPLEMENTARY INFORMATION:

The April 20, 2000, **Federal Register** notice (1) summarized the background for the proposed revisions to NAICS 1997 in Part I; (2) contained a summary of public comments in Part II; (3) detailed the structure changes agreed upon by the three countries in Part III; and (4) provided a comprehensive listing of changes for national industries and their links to NAICS 1997 industries in Part IV.

Subsequent to the release of the April 20 **Federal Register**, representatives from the statistical agencies of Mexico, Canada, and the United States who were working on a parallel three-country product classification system proposed to the three-country Steering Committee that Atlas and Map Publishers, currently in NAICS Industry 51119 Other Publishers, be moved to Industry 51113 Book Publishers. This proposal stemmed from the fact that the process of publishing atlases is similar to the publishing process for books such as reference books, and that the same industries often produce both atlases and maps. Informal discussions with these industries confirmed their support of this change. OMB's final decision regarding revision of NAICS for 2002 is to adopt the proposal contained in the April 20, 2000, **Federal Register**, with the one change to move Atlas and Map Publishers into Industry 51113. Attachments 1, 2, and 3 show the corrected lines for Tables 1, 2, and 3, as contained in the April 20 **Federal Register**.

After taking into consideration other comments submitted in direct response to the April 20, 2000, **Federal Register** notice, as well as benefits and costs, and after consultation with the Economic Classification Policy Committee (ECPC), Mexico's Instituto Nacional de Estadística, Geografía e Informática (INEGI) and Statistics Canada, OMB made no other changes to the scope and substance of

the April 20, 2000, **Federal Register** notice. The other comments that were received either supported proposed changes, or suggested changes that would be incompatible with the production-based foundation of NAICS or be incompatible with proposals that were accepted.

NAICS was jointly developed by Canada, Mexico, and the United States. For the 2002 revision the three countries focused on harmonizing and updating the Construction and Information sectors of NAICS. In the 1997 NAICS, the Construction sector was comparable among all three countries only at the highest levels of aggregation. Although new in 1997, the Information sector lacked finite categories related to important new and emerging industries, prompting the three countries to re-evaluate and restructure this sector. The United States will implement structural changes for the Wholesale Trade and Retail Trade sectors which will not impact the three country comparability for these sectors. It was not the intent of the ECPC to open for consideration all areas of NAICS that currently lack three-country comparability or to revise sectors other than those specifically listed above. Other sectors will be re-evaluated for future NAICS revisions.

Sally Katzen

Deputy Director for Management

Attachment 1

Revisions to Table 1 of the April 20, 2000, **Federal Register** Part II

Table 1 - 2002 NAICS United States Matched to 1997 NAICS United States

2002 NAICS Code	2002 NAICS and U.S. Description	Status Code	1997 NAICS Code	1997 NAICS Description
51113	Book Publishers	R	*511199	All Other Publishers (atlas and map publishers, except Internet Publishing)
		R	*511130	Book Publishers (except Internet Publishing)

Attachment 2

Revisions to Table 2 of the April 20, 2000, **Federal Register** Part II

Table 2 - 1997 NAICS Matched to 2002 NAICS United States

1997 NAICS Code	1997 NAICS U.S. Description	2002 NAICS Code	2002 NAICS and U.S. Description
511199	All Other Publishers		
	Atlas and Map Publishers (except Internet Publishers)	511130	Book Publishers
	Atlas and Map Publishers (Internet Publishers) and All Other Internet Publishers	516110	Internet Publishers (pt.)
	All Other Publishers (except Internet Publishers)	511199	All Other Publishers

Revisions to Table 3 of the April 20, 2000, **Federal Register** Part IITable 3 -- 2002 NAICS United States Matched to 1987
Standard Industrial Classification

2002 NAICS Code	2002 NAICS Description	1987 SIC Code	1987 SIC Description
51113	Book Publishers		
	Atlas and Map Publishers and Technical Book and Manual Publishers (except Internet)	2741	Miscellaneous Publishing (atlases and books, technical books and manuals, except Internet publishing)
	Book Publishers (except Internet)	2731	Books: Publishing or Publishing and Printing (except music books and Internet book publishing)